

**JSCOT HEARING ON THE AUSTRALIA-EU FRAMEWORK AGREEMENT
MONDAY 7 MAY 2018
QUESTIONS ON NOTICE**

QUESTION ONE - [QUESTION ASKED BY JOSH WILSON MP]

JOSH WILSON MP *Thank you chair and thank you for being with us to discuss this today. I'm interested in - obviously this is a high-level Framework Agreement leading on to a possible more specific Agreement in the future. In title large Roman Numeral 8, that section of the Agreement there is a reference to enhancing corporation in the field of climate change – a term which we sadly don't see too often anymore in international Agreements these days. What does that mean in your understanding of the Agreement to enhance corporation in the field of climate change?* **LUCIENNE MANTON** *It means precisely enhance corporation in the field of climate change. Much of our engagement with the EU is in context of the UNFCCC and it also in the context of bilateral and climate and environment projects that we might undertake together.* **JOSH WILSON MP** *Can you give some examples?* **LUCIENNE MANTON** *I could take that on notice and we could give you some examples.* **CHAIR HON STUARY ROBERT MP** *Happy to.*

ANSWER

- This year Australia and the EU are establishing the Strategic Partnership for Implementing the Paris Agreement. This EU-led initiative will enhance bilateral exchange on climate change policy issues, including the development of a long-term whole of economy emissions reduction strategy, sustainable finance, energy transition and subnational climate change initiatives. The initiative will also seek to build closer networks between Australian and EU think tanks and private sector stakeholders interested in climate change and sustainability issues.
- Australia and the EU also engage in multilateral climate initiatives. For example:
 - the World Bank's Forest Carbon Partnership Facility, which is a global partnership of governments, business, civil society and indigenous peoples focussed on reducing emissions from deforestation and forest degradation
 - the Mission Innovation initiative, which is a global initiative of 23 countries and the EU to double government clean energy research and development investments over five years
 - : Australia and the EU have opportunity to collaborate on Mission Innovation challenges including smart grids, carbon capture and storage, and affordable heating and cooling of buildings.
- Australia also engages actively with the EU, including through our chairing of the Umbrella Group at the UNFCCC negotiations (noting that the EU is a separate

negotiating block). Australia and the EU share interests in the development of robust rules and guidelines to implement the Paris Agreement.

- Australia also collaborates with individual EU members states in the area of climate change. For example, an Australia-Germany Working Group on Energy and Resources (ERWG) which first met in Perth on 3 November 2017, provides ongoing opportunities to cooperate on renewable energy and energy efficiency, and to stimulate investment in technologies to meet energy and climate targets. Australia partners with France and over 120 other countries to increase the use of solar energy through the International Solar Alliance.

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QUESTION TWO - [QUESTION ASKED BY JOSH WILSON MP]

JOSH WILSON MP *Can I please ask we have on notice some information about how the Department is taking stock of recent developments in the recent decisions of the European Court of Justice, which have stated that ISDS is inconsistent with EU law.*

ANSWER

- DFAT is aware of recent European Court of Justice rulings on EU investment policy with regard to international agreements.
- The Australia-EU FTA negotiations have not yet been launched
 - Australia is ready to launch negotiations as soon as possible
 - the EU does not yet have a mandate
 - : we expect the Council of the EU’s decision on its negotiating mandate will be made in the coming months
 - as negotiations have not been launched, there is currently no draft text
 - : and the EU has not yet made a proposal to us on investment coverage in the FTA.